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**SAN ANGELO, TEXAS, BUSINESSMAN SENTENCED TO ONE YEAR  
IN FEDERAL PRISON ON TAX EVASION CONVICTION**

Richard B. Roper, United States Attorney for the Northern District of Texas, announced today that, in federal court in Amarillo, Texas, David L. Hirschfeld, of San Angelo, Texas, was sentenced by the Honorable Mary Lou Robinson, United States District Judge, to 12 months imprisonment and ordered to pay a \$20,000 fine. Hirschfeld pled guilty in February to a one-count information charging him with income tax evasion.

During the calendar year 1996, Mr. Hirschfeld, was the president and chief executive officer of Hirschfeld Steel Co., Inc. located in San Angelo, Texas. As a part of the Hirschfeld Steel's normal business operations, scrap metal was a by-product of its manufacturing process and had to be discarded. Hirschfeld Steel sold the scrap metal to Acme Iron and Metal Company (Acme) also located in San Angelo, TX.

On eight occasions during 1996, Mr. Hirschfeld met with employees of Acme to receive payments for the scrap metal that had been collected from Hirschfeld Steel. Acme paid for the scrap metal by paying for a portion of the scrap by check and another portion in cash. The cash paid to Mr. Hirschfeld by Acme was never deposited to Hirschfeld Steel's accounts nor treated as income on Hirschfeld Steel's books and records. Mr. Hirschfeld was paid more than \$140,000 in cash by Acme during the calendar year 1996. After accounting for amounts of cash that Mr. Hirschfeld expended for deductible Hirschfeld Steel business expenses, Mr. Hirschfeld received a total of \$67,049 of cash from Acme that he knew should have been included as income on his United States Individual Income Tax Return for 1996, but he did not report it. The tax return filed by Mr. Hirschfeld for that year reported a tax due of \$82,950. Mr. Hirschfeld knew that he

was not reporting all of his taxable income and, as a result, knew he owed \$18,773.72 in additional taxes that should have been reported on his 1996 income tax return.

Acme paid Mr. Hirschfeld cash payments for scrap metal during the years 1996 through 2000. After accounting for amounts of cash that were deposited to Mr. Hirschfeld Steel's bank accounts and for cash that Mr. Hirschfeld expended for deductible Hirschfeld Steel business expenses, Mr. Hirschfeld personally received a total of \$240,514.16 of cash from Acme that should have been included as income on his 1996 through 2000 personal income tax returns, and the amount of income tax evaded by Mr. Hirschfeld, for the years 1996 through 2000 totals \$67,343.96.

U.S. Attorney Roper praised the investigative efforts of the Internal Revenue Service - Criminal Investigation. The case was prosecuted by Assistant United States Attorneys Roger L. McRoberts and Vicki Lamberson.